

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

In re

CITY OF DETROIT, MICHIGAN,

Debtor.

No. 13-53846

Chapter 9

HON. STEVEN W. RHODES

EXHIBIT 70

**APPELLEE STATE OF MICHIGAN'S DESIGNATION OF
ITEMS TO BE INCLUDED IN THE RECORD ON APPEAL**

In connection with Notice of Appeal filed by
William M. Davis and DAREA [Dkt. #8473].

Item	Date Filed	Docket Number	Description
70	8/18/2014	6865	Motion to Object to Fifth Amended Plan of Adjustment and All Corrections filed by Creditor Belinda A. Myers-Florence

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

Belinda A. Myers-Florence,

Chapter 9

Creditor/Objector

Case #13-53846

Judge Steven W. Rhodes

V.

In re: City of Detroit, Michigan and
Emergency Manager Kevin Orr
Debtor/City of Detroit

**MOTION TO OBJECT TO THE FIFTH AMENDED PLAN OF
ADJUSTMENT AND ALL CORRECTIONS**

I object to the Fifth Amended Plan of adjustment and corrections for the reasons stated below. This objection incorporates by reference Belinda A. Myers-Florence Objections Docket #5946 to the Motion dated July 11, 2014 and Joinder Objection Docket # 6323 filed July 28, 2014.

NOW COMES creditor/objector Belinda A. Myers-Florence The Annuity Savings Fund("ASF") Recoupment or claw-back, commonly referred to as recoupment, as an element of the proposed General Retirement System(GRS) reduction, is illegal, inequitable, discriminatory and arbitrary as it is applied within Class 11. Therefore the Plan of Adjustment does not meet the requirements for Confirmation. Specifically, the Plan of Adjustment fails the requirements of Sections 1129 (a) (3) and 1123(a) (4), as made applicable in Chapter 9 by Section 901(a).

#1 SUBJECT MATTER

THE PLAN IS FORBIDDEN BY LAW AND IS NOT PROPOSED IN GOOD FAITH

The Plan fails the requirement of Sec. 1129(a) (3) that "The plan has been proposed in good faith and not by any means forbidden by law." The claw-back proposed in the Plan has been created erroneously by the Debtor (the "City"), and has no basis in law, in fact, or in equity.

Page 1



A. When the allegations of excess payments first surfaced, it was alleged that nearly \$1 billion had been paid out in the form of “13th checks” to retirees, and excess interest credited to ASF accounts between 1985 and 2008. When the ASF Recoupment made its way into the plan it was 238 million. The mention of alleged overpayments attributed to 13th checks vanished and gave way to a ten-year ASF Recoupment period that was not explained.

B. The City of Detroit, had in addition to its regular ASF, the Annuity Reserve Fund (ARF) whose purpose was to provide funding to the ASF if the market rate of return were not as high as expected. The ARF was also the beneficiary of funds, as well as the General Retirement System, if the market rate of returns went above 7.9%. The documentation of these funds are separately maintained by the GRS. They are also accounted for in each Annual Report of the Board of Trustees.

C. There is not equal treatment provided for each interest group in class 11. First of all there are two distinct sections of retirees grouped together those subject to ASF recoupment and those who are not. The number of the retirees that are subject to ASF Recoupment is slightly less than half the total number in the class. If everyone singled out for ASF Recoupment voted against it, they would still be outnumbered thus rendering their vote fruitless.

#2 THE EXPECTED TIME DURATION OF THE PROPOSED TESTIMONY

15-30 Minutes

#3 AN EXPLANATION OF WHY THE PROPOSED EVIDENCE WILL NOT BE DUPLICATIVE OF OTHER EVIDENCE

Nobody made this argument who is a member of class 11 exclusively.

#4 LIST OF THE EXHIBITS TO BE OFFERED INTO EVIDENCE DURING THE PROPOSED TESTIMONY

General Retirement System Annual Report of the Board of Trustees

Objection Docket #6671 filed 8/12/14

Chapter 9 Section 901(a), Sections 1129(a)(3) and 1123(a)(4)

#5 WITNESSES

- A. Wanda J. Hill
- B. Cecily McClellan
- C. William Davis

Wherefore, this plan should not be confirmed because it is not fair, equitable or just and does not meet the requirements for confirmation.

Date August 18, 2014

Signature

Belinda D. McPherson

E mail Address belindaflo2@gmail.com

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

IN RE:

City of Detroit
Debtor.

CASE NO: 13-53846
CHAPTER: 9
JUDGE: Handel

CERTIFICATE OF SERVICE

I hereby certify that on 8/18/2014 (date of mailing), I served

copies as follows:

1. Document(s) served:

Notice to Object to 5th Amended Plan of Adjustment and all Collections

2. Served upon [name and address of each person served]:

David Helman
James Day
901 Lakeside Ave
Cleveland, Ohio 44114

3. By First Class Mail.

Dated: 8/18/2014

Belinda A. Myler
(Signature of Debtor)

Print Name: _____

(Signature of Co-Debtor)

Print Name: _____

FILED
2014 AUG 18 P 3:14
U.S. BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION